

This letter references information regarding the tax liabilities for certain fund raising organizations and their suppliers. See 86 Ill. Adm. Code 130.2009. (This is a GIL.)

August 11, 2006

Dear Xxxxx:

This letter is in response to your letter dated September 27, 2005, in which you request information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at www.tax.illinois.gov to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

Our company is engaged in the solicitation of wholesale sales to schools and other organizations in connection with fund-raising projects. We would like to update our enclosed records to assure we are following the guidelines set by your state with regard to sales tax on products sold for fund-raising purposes.

Our current products include magazines, discount cards, candy, cookies and frozen cookie dough, frozen pies, nuts, summer sausage, cheese, gift wrap, cookbooks, flower bulbs, bath oils, candles and other small gift items. Some food containers are tin, plastic or glass, making the value of the food container some times more than the contents.

Thank you for sending me a written confirmation via letter or e-mail that our interpretation on the attached 'Tax Status Form' is correct at this time.

My telephone number is #.

Thank you for your response,

DEPARTMENT'S RESPONSE:

The Department has issued numerous letters regarding the various tax liabilities of fund raising organizations and their suppliers. For example, please see ST-04-0224-GIL and ST-04-0092-GIL. In addition, you may wish to review the Department's regulations found at 86 Ill. Adm. Code 130.2005, 130.2006, and 130.2009. The Department's regulations and "Sunshine Letter" rulings may be found on the Department's Internet website under the heading of "Laws/Regs/Rulings.

I hope this information is helpful. If you require additional information, please visit our website at www.tax.illinois.gov or contact the Department's Taxpayer Information Division at (217) 782-3336. If you are not under audit and you wish to obtain a binding PLR regarding your factual situation, please submit a request conforming to the requirements of 2 Ill. Adm. Code 1200.110 (b).

Very truly yours,

Edwin E. Boggess
Associate Counsel

EEB:msk